

Message Text

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SUBJ: MINTOFF MOVES TO NATIONALIZE RADIO-TELEVISION SERVICES

1. SUMMARY: PRIME MINISTER MINTOFF HAS SHIFTED INTO HIGH GEAR IN HIS LONG-RUNNING CAMPAIGN TO ELIMINATE WHAT HE CALLS "FOREIGN" CONTROL OF MALTA'S RADIO AND TELEVISION SERVICES. FOLLOWING A "SIT-IN" BY UNIONIZED EMPLOYEES AT THE BRITISH-OWNED REDIFFUSION FACILITIES IN MALTA, MINTOFF HAS ASKED PARLIAMENTARY APPROVAL FOR AN EMERGENCY COUNCIL TO SUPERVISE RADIO/TV PROGRAMMING UNTIL AGREEMENT CAN BE REACHED ON NATIONALIZATION TERMS. AT THIS STAGE, DISPUTE LARGELY IS A FINANCIAL ONE, WITH MINTOFF (AS USUAL) TRYING TO OBTAIN CONTROL AT BARGAIN-BASEMENT PRICES. WE WILL PROBABLY HAVE HIS WAY. END SUMMARY

2. PRIME MINISTER MINTOFF HAS STATED ON NUMEROUS OCCASIONS THAT HIS LABOR GOVERNMENT WOULD END THE BRITISH-OWNED REDIFFUSION COMPANY'S CONTROL OF RADIO AND TELEVISION BROADCASTING IN MALTA. REDIFFUSION HAS BEEN OPERATING THESE SERVICES IN MALTA UNDER A LONG-TERM CONTRACT AWARDED BY NATIONALIST GOVERNMENT IN EARLY 1960'S. AFTER ELECTION OF LABOR GOVERNMENT IN 1971, MINTOFF ESTABLISHED STATE-OWNED RADIO MALTA AS A RIVAL

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TO REDIFFUSION, BUT THE CONTINUED PRESENCE AND INFLUENCE OF

REDIFFUSION'S TWO RADIO NETWORKS (ONE BROADCASTING IN ENGLISH AND ONE IN MALTESE), PLUS THE COMPANY'S MONOPOLY OF MALTESE TELEVISION TRANSMISSION, HAS CONTINUED TO RANKLE THE LABOR GOVERNMENT, AND HAS BECOME A DIVISIVE POLITICAL ISSUE IN PARLIAMENT.

3. NEGOTIATIONS BETWEEN MINTOFF'S GOVERNMENT AND REDIFFUSION CONCERNING AN EVENTUAL GOM TAKEOVER HAVE BEEN GOING ON FOR MANY MONTHS. REPORTEDLY, THESE NEGOTIATIONS FINALLY BROKE DOWN OVER THE PRICE MINTOFF WAS WILLING TO PAY FOR REDIFFUSION'S CONTRACT AND THE COMPANY'S EQUIPMENT AND FACILITIES IN MALTA. GOM OFFERED A TOTAL OF 300,000 MALTESE POUNDS, WITH 100,000 POUNDS TO BE RETURNED FOR SEVERANCE PAYMENTS TO MALTESE STAFF MEMBERS GOM DID NOT INTEND TO RETAIN. REDIFFUSION REQUESTED 600,000 POUNDS WITHOUT ANY SEVERANCE PAYMENT REFUND, STATING IT DID NOT FEEL OBLIGATED TO MAKE SUCH PAYMENTS SINCE COMPANY WAS, IN EFFECT, BEING NATIONALIZED, NOT TERMINATED.

4. WITHOUT WARNING, REDIFFUSION EMPLOYEES WHO ARE MEMBERS OF MALTESE GENERAL WORKERS UNION (AND, THEREFORE, STAUNCH SUPPORTERS OF MINTOFF'S LABOR GOVERNMENT) TOOK OVER REDIFFUSION RADIO AND TELEVISION FACILITIES ON FEBRUARY 14, CLOSED DOWN ALL TRANSMISSIONS AND "LOCKED OUT" MANAGEMENT REPRESENTATIVES. THIS ASPECT OF THE SIT-IN BY THE UNIONIZED EMPLOYEES LASTED FIVE DAYS, DURING WHICH MALTA WAS WITHOUT TELEVISION PROGRAMMING OR ENGLISH-LANGUAGE RADIO BROADCASTING (EXCEPT FOR A BRITISH FORCES BROADCASTING SERVICE). THESE ACTIONS BY THE GWU-LED EMPLOYEES RECEIVED EXTENSIVE PRAISE FROM LABOR PARTY SPOKESMEN AND PARLIAMENTARY MEMBERS, INCLUDING PRIME MINISTER MINTOFF. THE STRIKING WORKERS WERE LAUDED FOR THEIR STRUGGLE AGAINST THE "FOREIGNERS" (I.E., BRITISH), WHO SHOULD NO LONGER BE ALLOWED TO "CONTROL" MALTESE RADIO AND TELEVISION. FACT THAT ALL REDIFFUSION EXECUTIVES ARE MALTESE AND THAT OFFICIAL MALTA BROADCASTING AUTHORITY LEGALLY CONTROLS SUCH SERVICES WAS IGNORED BY LABOR PARTY SPOKESMEN, DESPITE COUNTER ARGUMENTS ADVANCED BY NATIONALIST OPPOSITION, REPRESENTATIVES OF MALTESE BUSINESS COMMUNITY AND REDIFFUSION COMPANY ITSELF.

5. ON FEBRUARY 19, GWU EMPLOYEES IN CONTROL OF REDIFFUSION LIMITED OFFICIAL USE

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OFFICES RESUMED TRANSMISSION OF RADIO AND TELEVISION SERVICES, UTILIZING COMPANY'S FACILITIES AND PROGRAMS, WHILE STILL DENYING ACCESS TO PREMISES OF ALL MANAGEMENT REPRESENTATIVES. ON FEBRUARY 20, REDIFFUSION SOUGHT MALTESE COURT INJUNCTION TO PROHIBIT STRIKING WORKERS FROM FURTHER POSSESSION OF PREMISES AND TERMINATION OF UNAUTHORIZED BROADCASTING OVER COMPANY'S FACILITIES. GWU PROMPTLY FILED COUNTERCLAIMS, AND COURT ACTION

IS NOW PENDING. MEANWHILE, EMPLOYEE-CONTROLLED BROADCASTS CONTINUE.

6. AT RESULT THESE DEVELOPMENTS, NATIONALIST PARTY DEMANDED APPOINTMENT OF PARLIAMENTARY COMMISSION TO INVESTIGATE AND OVERSEE MALTA BROADCASTING AUTHORITY, WHICH NATIONALISTS CLAIM HAS NOT CARRIED OUT ITS OFFICIAL DUTIES DURING THIS DISPUTE, ESPECIALLY IN FAILING TO STOP WORKER-PRODUCED BROADCASTS WHICH ARE BEING TRANSMITTED WITHOUT REQUIRED LICENSE. BASIC NATIONALIST COMPLAINT IS THAT MBA IS LABOR-CONTROLLED, AND THUS NOT IMPARTIAL, AS IT IS SUPPOSED TO BE.

7. IN TYPICALLY MINTOFFIAN MANEUVER, LABOR GOVERNMENT IGNORED CRITICISM OF MALTA BROADCASTING AUTHORITY, AND INSTEAD INTRODUCED BILL IN PARLIAMENT ON FEBRUARY 24 TO ESTABLISH AN "EMERGENCY COUNCIL" TO OPERATE REDIFFUSION'S RADIO AND TELEVISION SERVICES PENDING A RESOLUTION OF THE PRESENT EMPLOYEE-REDIFFUSION STANDOFF.

8. COMMENT: KEY ISSUE IN ALL OF THIS IS ELIMINATION OF LAST VESTIGES OF SO-CALLED

BRITISH CONTROL OVER BROADCASTING MEDIA IN MALTA. THIS SUBJECT IS AN OBSESSION WITH MINTOFF, AND HE APPEARS DETERMINED TO BRING REDIFFUSION'S PRESENCE TO AN END WITHOUT FURTHER DELAY. IT IS OBVIOUS THAT GWU EMPLOYEES AT REDIFFUSION WERE ENCOURAGED (IF NOT ORDERED) TO ENGAGE IN SIT-IN TO PRECIPITATE THE ISSUE AND PUT PRESSURE ON COMPANY TO SETTLE ON MINTOFF'S TERMS. MINTOFF, IN THE END, DOUBTLESS WILL SUCCEED IN HIS AIMS. THE ONLY REAL

QUESTIONS

RE : (1) WHETHER REDIFFUSION WILL RECEIVE A DECENT PRICE FOR ITS FACILITIES; AND (2) DEGREE TO WHICH THIS LATEST EXAMPLE OF MINTOFF'S STRONG-ARM LIMITED OFFICIAL USE

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TACTICS MIGHT SCARE OFF FOREIGN INDUSTRIAL INVESTMENT WHICH MALTA BADLY NEEDS TO SHORE UP ITS RECESSION-BURDENED ECONOMY AND TO PROVIDE NEW JOBS FOR GROWING NUMBERS OF UNEMPLOYED MALTESE WORKERS. PROBLEM OF HOW TO ASSURE IMPARTIAL RADIO-TELEVISION BROADCASTING UNDER NATIONALIZED COMPANY CONTROLLED BY HIGHLY POLITICIZED LABOR GOVERNMENT WILL BE MAJOR ISSUE FOR THE FUTURE, AND ONE OF GREAT SIGNIFICANCE TO OPPOSITION NATIONALIST PARTY. SMITH

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